

(Draft – Awaiting Approval)

**MINUTES OF THE
STATE FAIRPARK WORKING GROUP**

Friday, September 11, 2015 – 2:00 p.m. – State Fairpark Administration Bldg.

Members Present:

Sen. Kevin T. Van Tassell, Senate Chair
Rep. Mike K. McKell, House Chair
Sen. Luz Escamilla
Sen. Scott K. Jenkins
Rep. Rebecca Chavez-Houck
Rep. Mike Schultz

Staff Present:

Ms. Megan L. Bolin, Policy Analyst
Ms. Christine R. Gilbert, Associate General Counsel
Ms. Lori Rammell, Legislative Assistant

Note: A list of others present, a copy of related materials, and an audio recording of the meeting can be found at www.le.utah.gov.

1. Utah State Fair Corporation Board Briefing

Chair Van Tassell called the meeting to order at 2:07 p.m.

Members of the working group, staff, and guests introduced themselves.

Mr. Ted Lewis, Interim Executive Director, Utah State Fairpark Board of Directors, and Mr. Roger Beattie, Chairman, Utah State Fairpark Board of Directors, distributed "Utah State Fairpark Corporation 2015 Business Plan."

Ms. Maura Carabello, Utah State Fairpark Board of Directors, reviewed the business plan, which provided information on current conditions of the fairpark, and noted the distinction between the Utah State Fair (the event) and the fairpark (the 66-acre event venue). She reported that, due to the lack of a long-term lease, some vendors have refused to sign an agreement with the fairpark. She reported that the Utah State Fair is consistently successful and at the heart of the fairpark, but the fairpark requires a higher and better use during the remainder of the year when the fair is not operational. She reviewed the history and organizational structure of the fairpark as outlined in the business plan, then clarified that the board believes there exists sufficient oversight and does not believe it should become part of a state agency. She outlined five primary business objectives of the fairpark corporation:

1. Increased year-round fairpark activation
2. Deferred improvement investment
3. Increased fair revenue and attendance
4. New exhibition center
5. New multi-use stadium

Ms. Carabello discussed fairpark projections, including the costs of deferred maintenance. She said the goal of the board is to have an independent, self-sustaining fairpark, so the Legislature could consider legislative appropriations an investment. She said the addition of a multi-use stadium and an expo center would be required to generate sufficient income to make the fairpark self-sustaining. She explained that, while the fairpark is very well used and active, most of the events held there provide very small margins. She responded to a question from the committee by explaining that indoor/outdoor venues are the key to offering a facility that will not compete with existing facilities, such as Energy Solutions Arena.

Mr. Lewis responded to questions from the committee regarding the urgency of the lease and the amount of money generated from various vendors.

Mr. Carlton Christensen, Regional Development Director, Salt Lake County, and former member of the Salt Lake City Council, responded to questions from the committee by clarifying details of the deed involving the White Ballpark and the fairpark, and potential involvement by Salt Lake City in financing improvements to the fairpark.

Sen. Jenkins questioned the possibility of revenue bonds to fund the proposed fairpark improvements on a long-term basis.

Mr. Clay Nielsen, Utah State Fairpark Board of Directors, discussed the potential for private investment, but emphasized the necessity of a five- to ten-year period to incubate those partnerships and make the investment appealing to those investors.

Mr. Nielsen pointed out the historic nature of many of the buildings in the fairpark, yet said that these same aging buildings are in poor condition and require extensive repairs.

Chair Van Tassell asked what the community's commitment is to the fairpark, and Rep. Sandra Hollins, Rep. Chavez-Houck, and Sen. Escamilla agreed that the community wants to see the fairpark upgraded. The small businesses in the area, they said, look forward each year to the business brought by the fair. Mr. Christensen said that at the time Salt Lake City invested in the development around the fairpark, he believes it was with the understanding that the state would spend additional money. The local businesses, Mr. Christensen said, are supportive but probably not in a position to contribute to the upgrades required at the fairpark. He pointed out the advantageous location of the fairpark in its proximity to downtown and the Salt Lake airport, and the benefits of a venue with both indoor and outdoor space. He said there is no place else in Salt Lake County that would offer comparable facilities adjacent to a transit stop.

Ms. Carabello discussed the importance of moving the fairpark's grand entrance to North Temple to increase visibility and accessibility, especially from the light rail line.

Mr. Lynn Pace, Salt Lake City, discussed some ways of addressing the parking issues that occur during the fair, while generating additional income.

Mr. James Evans, former Senator, spoke to the issue of community commitment. He said a community coalition is being formed with the goal of making it clear to the Legislature that this quadrant of the city is committed to the fairpark.

Mr. Steve Barth, Fair Foundation, and former member of the Utah State Fairpark Board of Directors, said no meaningful discussion about fairpark development can take place without the lease being signed.

2. Fairpark Lease Agreement

Chair Van Tassell emphasized that this working group needs to take a vote regarding the signing of the lease agreement between the Division of Facilities Construction and Management (DFCM) and the Utah State Fair Corporation. Then, he said, depending on the outcome of that vote, the fairpark lease agreement should be signed. He deferred a motion for the time being, however, as he said that other entities need to come to an agreement before that vote takes place. He suggested another meeting of the working group, with presentations from Salt Lake City and Salt Lake County representatives.

Sen. Jenkins pointed out that the Legislature has done its duty as far as the lease is concerned, and it is now the governor's responsibility to direct DFCM to sign it.

Rep. McKell said that bringing community partners together would likely help convince the governor and DFCM to sign the lease, and the Legislature to consider appropriations.

3. Tour of Fairpark Facilities

4. Other Items/Adjourn

It was decided that the next meeting of the working group would be on October 8, 2015, at 11:00 a.m. in room 210 of the Senate Building. Representatives from the community will be invited.

MOTION: Sen. Jenkins moved to adjourn the meeting.

Chair Van Tassell adjourned the meeting at 4:08 p.m.